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TWENTY-FOURTH ANNUAL FINANCIAL STATEMENT

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# Coopérative Fédérée de Québec

(Cooperative of Cooperatives)



ESTABLISHED - - - - - 1922

REORGANIZED - - - - - 1930

*Submitted to*

GENERAL ANNUAL MEETING OF THE MEMBERS

MOUNT-ROYAL HOTEL, MONTREAL

FEBRUARY 28TH AND MARCH 1ST, 1946



At their meeting of February 27th, 1946, the Board of Directors have declared the following patronage dividends:

#### FARM PRODUCTS

|                                             |                              |
|---------------------------------------------|------------------------------|
| Butter .....                                | $\frac{1}{8}\phi$ per pound  |
| Cheese .....                                | $\frac{3}{32}\phi$ per pound |
| Flax .....                                  | $\frac{1}{2}\%$              |
| Eggs .....                                  | $\frac{1}{2}\phi$ per dozen  |
| Table potatoes received on consignment..... | 2¢ per bag of 75 lbs.        |

Livestock received on consignment at our Princeville and  
Quebec-West abattoirs:

|                            |          |
|----------------------------|----------|
| Cattle .....               | 50¢ each |
| Hogs .....                 | 25¢ each |
| Calves, sheep, lambs ..... | 20¢ each |

#### GOODS FOR FARM OPERATION

|                               |                  |
|-------------------------------|------------------|
| Grain (whole or ground) ..... | $1\frac{1}{2}\%$ |
| Balanced rations .....        | 3 %              |
| Chemical fertilizers .....    | 4 %              |
| Insecticides .....            | 5 %              |
| Fruit packing material .....  | 5 %              |
| Paint .....                   | 10 %             |
| Milkers .....                 | 10 %             |

Three ways of becoming strong:

Discipline

Increased membership

Ownership



## STATISTICS

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### COMPARISON OF SALES

|      |                 |
|------|-----------------|
| 1933 | \$ 4,600,000.00 |
| 1934 | 5,450,000.00    |
| 1935 | 7,300,000.00    |
| 1936 | 9,500,000.00    |
| 1937 | 11,500,000.00   |
| 1938 | 11,700,000.00   |
| 1939 | 11,925,000.00   |
| 1940 | 14,050,000.00   |
| 1941 | 17,750,000.00   |
| 1942 | 23,400,000.00   |
| 1943 | 30,400,000.00   |
| 1944 | 38,500,000.00   |
| 1945 | 39,150,000.00   |

### COMPARISON OF PATRONAGE DIVIDENDS PAID

|      |              |
|------|--------------|
| 1937 | \$ 26,894.15 |
| 1938 | 33,607.91    |
| 1939 | 48,009.60    |
| 1940 | 60,402.58    |
| 1941 | 78,913.47    |
| 1942 | 97,840.74    |
| 1943 | 272,121.15   |
| 1944 | 282,342.13   |

### COMPARISON OF THE NUMBER OF AFFILIATED SOCIETIES

(organized under the Act of 1930, and after deducting those that have  
ceased operations or cancelled their affiliation)

|      |     |      |     |
|------|-----|------|-----|
| 1931 | 49  | 1939 | 168 |
| 1932 | 57  | 1940 | 189 |
| 1933 | 58  | 1941 | 244 |
| 1934 | 74  | 1942 | 284 |
| 1935 | 95  | 1943 | 309 |
| 1936 | 106 | 1944 | 393 |
| 1937 | 123 | 1945 | 436 |
| 1938 | 150 |      |     |

## *Board of Directors*

J.-A. PINSONNEAULT  
President  
Sherrington, Napierville

THÉODORE FORTIER  
Plessisville, Mégantic

GIRARD MASSUE\*  
Vice-President  
Varennes, Verchères

PIERRE TURGEON  
St-Anselme, Dorchester

SAMUEL AUDETTE  
Landrienne, Abitibi

THOMAS RIOUX  
Trois-Pistoles, Rivière-du-Loup

PHILADELPHIE FERLAND  
Normandin, Roberval

PHILIPPE BOUCHARD  
Luceville, Rimouski

MÉDÉRIC LEGAULT  
L'Ascension, Labelle

ADRIEN LAMARCHE  
St-Esprit, Montcalm

ALBERT GINGRAS  
St-Jérôme, Terrebonne

ADÉLARD BELLEMARE  
Yamachiche, St-Maurice

HONORÉ AUMAIS  
St-Polycarpe, Soulanges

J.-A. MARION  
Ste-Hedwidge, Compton

OMER DESLAURIERS  
Granby, Shefford

ALBERT LAFRAMBOISE  
Ste-Scholastique, Deux-Montagnes

J.-N. PARENT  
St-Sylvestre, Nicolet

FERDINAND CONTANT  
St-Jacques, Montcalm

Secretary: ROMÉO MARTIN

Treasurer: J.-T. NOËL

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## *Executive Committee*

HENRI-C. BOIS, president

J.-A. PINSONNEAULT

ADÉLARD BELLEMARE

GIRARD MASSUE\*

J.-A. MARION

Secretary: ROMÉO MARTIN

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\* Girard Massue, Vice-President and member of the Executive Committee, passed away on August 18th, 1945.

# CONSOLIDATED

As at 31 De

## ASSETS

### CURRENT

|                                        |                |               |                |
|----------------------------------------|----------------|---------------|----------------|
| Cash on hand and<br>in Bank .....      |                | \$ 484,631.57 |                |
| Accounts Receivable ..                 | \$1,651,895.61 |               |                |
| Less: Reserve for<br>doubtful accounts | 71,842.72      | 1,580,052.89  |                |
|                                        |                |               |                |
| Inventories:                           |                |               |                |
| Merchandise .....                      | 1,229,362.67   |               |                |
| Operating Supplies..                   | 58,393.04      | 1,287,755.71  | \$3,352,440.17 |

### INVESTMENTS

|                                          |  |           |            |
|------------------------------------------|--|-----------|------------|
| Bonds — Dominion of<br>Canada .....      |  | 70,000.00 |            |
| Mortgages .....                          |  | 38,621.66 |            |
| Sundry investments and<br>deposits ..... |  | 13,097.21 | 121,718.87 |

### FIXED

|                                             |              |              |              |
|---------------------------------------------|--------------|--------------|--------------|
| Equipment, machinery,<br>motor trucks ..... | 344,582.81   |              |              |
| Less: Reserve for<br>Depreciation .....     | 174,766.02   | 169,816.79   |              |
|                                             |              |              |              |
| Furniture and office<br>equipment .....     | 96,487.91    |              |              |
| Less: Reserve for<br>Depreciation .....     | 56,331.98    | 40,155.93    |              |
|                                             |              |              |              |
| Real Estate .....                           | 1,246,213.61 |              |              |
| Less: Reserve for<br>Depreciation .....     | 198,876.99   | 1,047,336.62 | 1,257,309.34 |

DEFERRED EXPENSES—Chargeable to 1946..... 66,178.24

DISCOUNT ON BONDS (Unamortized balance)..... 11,745.00

\$4,809,391.62



# BALANCE SHEET

December, 1945

## LIABILITIES

|                                                  |               |                       |
|--------------------------------------------------|---------------|-----------------------|
| ACCOUNTS PAYABLE .....                           |               | \$ 491,069.42         |
| LOANS                                            |               |                       |
| Banque Canadienne Nationale .....                | \$ 891,225.74 |                       |
| Co-operative Wholesale Society,<br>Limited ..... | 486,666.67    |                       |
| Sundry loans .....                               | 614,255.48    | 1,992,147.89          |
| BONDS                                            |               |                       |
| Issued .....                                     | 800,000.00    |                       |
| Less: Paid at maturity .....                     | 17,000.00     | 783,000.00            |
| MORTGAGE .....                                   |               | 116,000.00            |
| ACCRUED INTEREST                                 |               |                       |
| On bonds and loans .....                         |               | 15,941.23             |
| RESERVES                                         |               |                       |
| For Contingencies .....                          | 107,997.94    |                       |
| For Pension and Educational Fund .....           | 30,000.00     |                       |
| General Reserve .....                            | 200,000.00    | 337,997.94            |
| CAPITAL STOCK                                    |               |                       |
| Preferred .....                                  | 13,780.00     |                       |
| Common .....                                     | 170,079.28    | 183,859.28            |
| SURPLUS .....                                    |               | 889,375.86            |
|                                                  |               | <u>\$4,809,391.62</u> |

We have audited the books of the Cooperative Federée de Québec for the period ended December 31st, 1945, and we have obtained all the information which we have requested

The assets and liabilities of the subsidiary companies, capital stock of which is owned in full by the Cooperative, are included in the present statement.

In our opinion, the above Balance Sheet represents the financial situation of the Cooperative as at December 31, 1945, according to the books and explanations we have obtained.

PELLETIER, GRAVEL  
C.P.A.  
Auditors

February 21st, 1946.

# OPERATING ACCOUNT

YEAR 1945

|                     |                 |
|---------------------|-----------------|
| SALES .....         | \$39,148,169.28 |
| COST OF SALES ..... | 36,905,558.88   |

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2,242,610.40

## DIRECT CHARGES

|                                |              |
|--------------------------------|--------------|
| Delivery and weighing .....    | \$110,487.49 |
| Insurance .....                | 21,734.16    |
| Maintenance of Equipment ..... | 46,185.60    |
| Power and Refrigeration .....  | 66,739.31    |
| Rents .....                    | 20,000.00    |
| Selling expenses .....         | 10,775.90    |
| Storage and warehousing .....  | 50,592.27    |
| Wages .....                    | 662,794.65   |
| Wrapping and containers .....  | 122,390.34   |
| Sundries .....                 | 4,545.52     |

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1,116,245.24

1,126,365.16

23,076.43

Add: Miscellaneous revenues .....

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1,149,441.59

## GENERAL EXPENSES

|                                                   |            |
|---------------------------------------------------|------------|
| Advertising .....                                 | 8,151.76   |
| Bad debts and reserve for doubtful accounts ..... | 3,137.76   |
| Bank charges .....                                | 9,587.47   |
| Contributions .....                               | 4,082.20   |
| Cooperative Education and Services .....          | 35,699.63  |
| Discount on bonds redeemed .....                  | 255.00     |
| Documentation .....                               | 2,376.44   |
| Donations .....                                   | 1,807.39   |
| Insurances — General .....                        | 25,706.49  |
| Insurance — Unemployment .....                    | 5,144.64   |
| Legal fees .....                                  | 7,640.33   |
| Light, water, fuel .....                          | 9,900.32   |
| Maintenance of buildings .....                    | 33,294.99  |
| Maintenance of equipment and furniture .....      | 9,524.14   |
| Messenger service .....                           | 1,839.97   |
| Premium on bonds redeemed before maturity .....   | 3,977.76   |
| Rents .....                                       | 6,158.32   |
| Salaries .....                                    | 289,723.59 |
| Stamps — postage and excise .....                 | 20,067.39  |
| Stationery and office supplies .....              | 20,694.39  |
| Surveys .....                                     | 18,072.00  |
| Taxes and licenses .....                          | 28,545.61  |
| Telephone and telegraph .....                     | 17,353.71  |
| Travelling and meeting expenses .....             | 22,687.62  |
| Sundries .....                                    | 8,646.01   |

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594,074.93

555,366.66



OPERATING ACCOUNT (BROUGHT FORWARD)

\$555,366.66

INTEREST

|                |            |            |
|----------------|------------|------------|
| On bonds ..... | 24,765.91  |            |
| On loans ..... | 110,617.54 | 135,383.45 |
|                |            | <hr/>      |
|                |            | 419,983.21 |

DEPRECIATION

|                                  |           |           |
|----------------------------------|-----------|-----------|
| On equipment and furniture ..... | 33,457.28 |           |
| On buildings .....               | 37,859.36 | 71,316.64 |
|                                  |           | <hr/>     |

NET SAVINGS ..... \$ 348,666.57

NOTE — Proposed disposal of net savings:

|                                         |            |
|-----------------------------------------|------------|
| Interest on preferred stock .....       | 826.80     |
| Patronage dividend — .....approximately | 287,000.00 |
| To be carried to Surplus Account— "     | 60,839.77  |



# SURPLUS ACCOUNT

Year 1945

|                                       |              |
|---------------------------------------|--------------|
| BALANCE as at 31 December, 1944 ..... | \$801,640.63 |
|---------------------------------------|--------------|

*Add:*

|                                                                                                                    |           |
|--------------------------------------------------------------------------------------------------------------------|-----------|
| Readjustment (as of December 31st, 1944) of fixed assets<br>and of the reserves for depreciation—as per survey.... | 33,836.85 |
|--------------------------------------------------------------------------------------------------------------------|-----------|

\$835,477.48

*Deduct:*

|                                                       |            |            |
|-------------------------------------------------------|------------|------------|
| Dividends — 1944 .....                                | 8,452.80   |            |
| Patronage Dividends to affiliated cooperatives—1944.. | 282,342.13 | 290,794.93 |

|                                                  |            |
|--------------------------------------------------|------------|
| BALANCE as at 31 December, 1944 (adjusted) ..... | 544,682.55 |
|--------------------------------------------------|------------|

*Add:*

|                             |            |
|-----------------------------|------------|
| NET SAVINGS—year 1945 ..... | 348,666.57 |
|-----------------------------|------------|

893,349.12

*Deduct:*

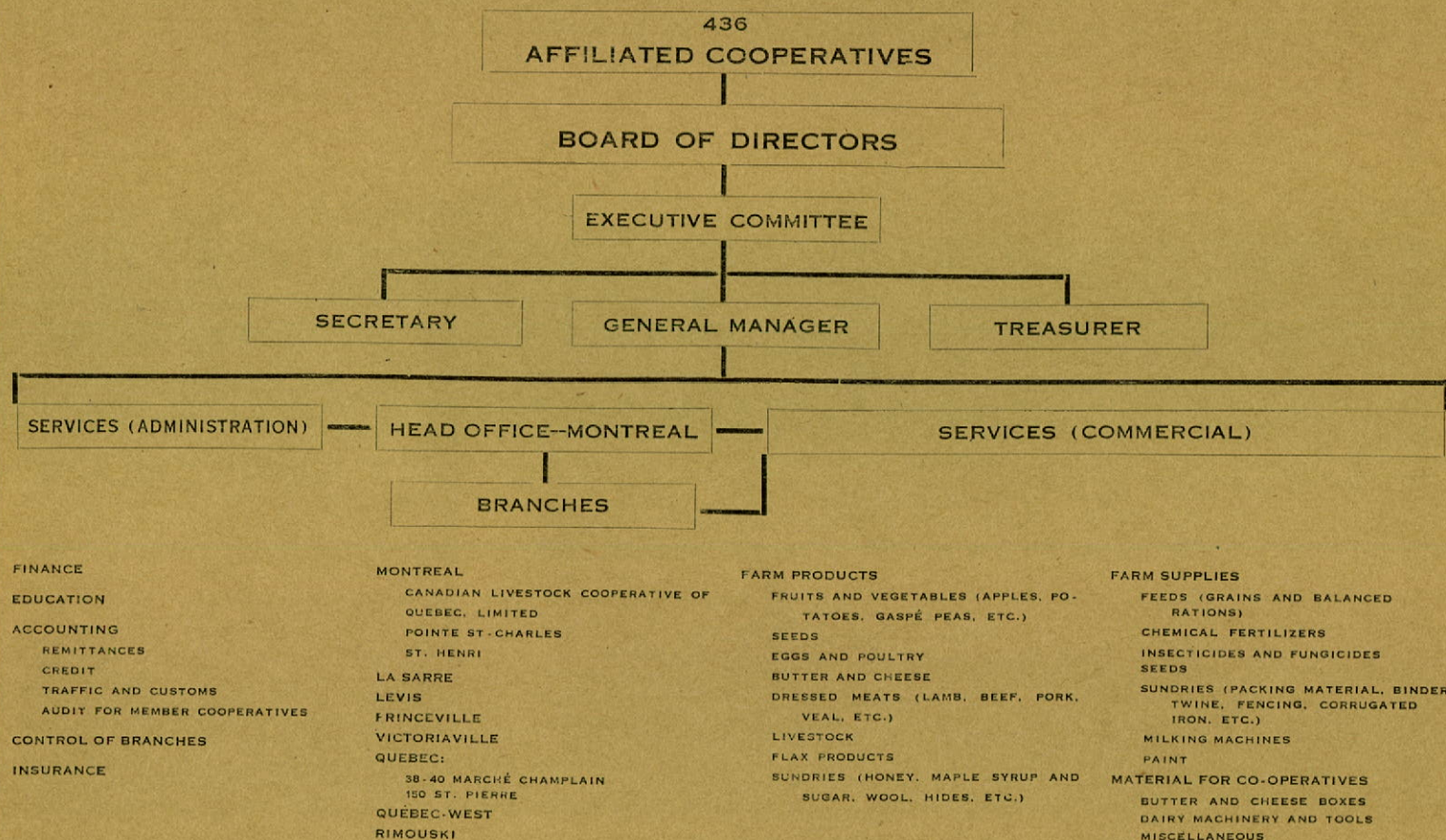
|                                                     |          |
|-----------------------------------------------------|----------|
| Interest on Preferred Stock bought up in 1945 ..... | 3,973.26 |
|-----------------------------------------------------|----------|

BALANCE as at 31 December, 1945

|                                                                                                 |              |
|-------------------------------------------------------------------------------------------------|--------------|
| (Before providing for the payment of patronage dividends and interest on preferred stock) ..... | \$889,375.86 |
|-------------------------------------------------------------------------------------------------|--------------|



# GENERAL ORGANIZATION COOPERATIVE FEDEREE DE QUEBEC





The cooperative  
is an  
organization  
for  
social, technical  
and  
economical  
improvement